CONSIDERATION OF REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it the Report of the Committee on Finance and Administration, dated April 23rd, 1991, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, the Report of the Committee on Finance and Administration, dated April 23rd, 1991, was considered clause by clause.

West Committee Room,
Council Building, Winnipeg.
April 23rd, 1991.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report and recommends:

Refinancing of Debt Issued Pursuant to By-law No. 4510/87 Can $60,000,000.00 9% Maturing February 24th, 1992.
File FC-2

790 - 1. The City of Winnipeg on February 24th, 1987 issued $60,000,000.00, five year sinking fund debentures pursuant to By-law No. 4510/87 which will mature and become payable on February 24th, 1992. A sinking fund reserve in an amount of $9,946,136.25 will be available on February 24th, 1992 requiring the shortfall of $50,053,863.75 to be refinanced.

Section 292(3) of The City of Winnipeg Act requires the City to make application to the Minister of Finance not less than six months before the February 24th, 1992 maturity date.

Your Committee on Finance and Administration submits for favourable consideration draft by-law, an initial borrowing by-law in an amount of $50,053,863.75, duly approved as to financial details by the City Treasurer and certified as to form by the Assistant City Solicitor to provide for the refinancing of debt issued pursuant to By-law No. 4510/87 for first reading by Council.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Renewal of General Insurance Policies - 1991. **File FI-3**

791 - 2. Subsection (e) of Section 51 (1) of The City of Winnipeg Act requires the City Treasurer to attend to the placing of such insurance as may be decided by Council.

In addition, under Section 113 of The City of Winnipeg Act - "The Council may provide for comprehensive insurance to protect the City against loss through damage to the real or personal property, or both, of the City by reason of fire or any other cause; and may provide insurance against claims for loss or damage for which the City may become liable".

Furthermore, the Council Order relative to General Insurance, dated May 2nd, 1979, states in part as follows:

> "The Consortium, through the Principal Broker, in consultation with the appropriate officers of the City, shall place or bind such insurance as may be required, subject to the approval of the Council, and in the event of disapproval of the Council, the Consortium shall be reimbursed through the Principal Broker the appropriate premium for 'time-on-risk'."

Report of the Committee on Finance and Administration, dated April 23rd, 1991.

The insurance policies contained in Appendix "A" are issued on an annual basis and the majority of them have an expiry date of December 31st. Automobile insurance policies are written with an expiry date of March 1st to coincide with the Manitoba Public Insurance Corporation insurance year.

A number of policies are written on a 'continuing-till- cancelled' basis (travel, accident, registered mail), Appendix "B". Other policies are written on an 'as-required' basis (mosquito abatement program, aerial surveys, etc.), Appendix "C".

The attached appendices provide the relevant details respecting categories of coverage, deductibles, insurers and annual premium costs. The following is a summary of premium costs for the current year 1991 compared with 1990 (the 1991 costs include deposit premiums which are subject to year-end adjustment):

	1991	1990	% Decrease
Appendix "A" (Policies renewed or placed)	$3,215,667	$3,308,696	2.81
Appendix "B" (Policies written on a "Continuing-till-cancelled" basis)	14,640	14,990	2.33
Appendix "C" (Policies written on an "As Required" basis)	18,27	26,136	30.06
Total	$3,248,586	$3,349,822	3.02

The balance of the discussion addresses primarily the markets canvassed, the state of markets, responses and range of premium costs.

APPENDIX "A" - Main Insurance Program

Item 1 PROPERTY

All Property except Municipal Hospital and Ambulance Service Item 1 (a)

The City's General Insurance Consortium approached twenty underwriters and was able to combine coverage for bridges and overpasses with other properties under a single policy.

Coverage was placed under a Subscription Policy underwritten by seven Insurance Companies at a rate of 0.0175 per $100 of property values, which represents a 16.3% decrease from the previous rate. The rate reduction together with the combining of coverage resulted in a 25.4% decrease in the premium paid. For 1991 the single loss limit increased to $300,000,000.00, which is in excess of any single property value on the insurance schedule. ($250 Million in 1990)

The policy provides for extra expense of up to $1,000,000.00 at each of the three transit bus storage garages to enable operation of bus services in the event of a catastrophic loss of garage and/or buses.

Municipal Hospital Properties Item 1 (b)

The Municipal Hospital is funded by the Province. As such, it was considered prudent for the City to protect its insurance claims reserve by purchasing separate insurance with a minimal deductible.

Coverage was renewed with the same insurers with no change in rate from 1990.

Report of the Committee on Finance and Administration, dated April 23rd, 1991.

Ambulance Service Item 1 (c)

This policy insures mobile equipment and supplies including mobile radio equipment and radio base station normal to ambulance service and office equipment and supplies.

Coverage was placed at a 24.2% reduction from the 1990 rate.

Boiler and Machinery Item 1 (d)

In this category of risk, it is essential that the successful underwriting company is able to provide resident engineering facilities and personnel to service the specialized requirements. This includes regular inspection of complex machinery, boilers and pressure vessels that exist at the sewage treatment plants, swimming pools, Transit and Hydro Utilities.

Coverage was renewed with the existing Underwriter. The 13.4% reduction in the premium paid is a result of the closing of the Steam Plant.

Comprehensive Crime Item 1 (e)

The capacity offered by Chubb Insurance Company of Canada is unique at the current premium levels.

The policy was renewed with Chubb with no change in coverage and a 5.0% reduction in premium from 1990.

Item 2 AUTOMOBILES

Licensed Fleet Item 2 (a) (i) and (ii)

The City's fleet of approximately 1,604 licensed automobiles is covered by Autopac and a separate first excess liability insurance policy to limit of $5,000,000.00. Additional coverage is provided in the second and subsequent layers of excess liability insurance. (See Item 5 (b) - Appendix "A")

Basic Autopac costs increased 13.4% while the first excess liability policy was renewed with The Manitoba Public Insurance Corporation with no change in premium from 1990.

Transit Bus Fleet Item 2 (b) (i) and (ii)

Basis Autopac for the 584 transit buses is on a self-insured basis through an arrangement with The Manitoba Public Insurance Corporation who manage the program for a deposit premium of $120,000.00 plus adjustments for actual claims paid and reserved. Liability coverage to $5,000,000.00 above the basic Autopac $200,000.00 is provided in a separate first excess liability insurance policy. Additional coverage is provided in the second and subsequent layers of excess liability insurance. (See Item 5 (b) - Appendix "A")

The first excess liability policy was renewed with The Manitoba Public Insurance Corporation at a 5.0% reduction in premium from 1990.

Fire Department Fleet Item 2 (c)

Previously the primary liability insurance for firefighting equipment was provided under the general liability policy. However, when the former Underwriter (MPIC) discontinued writing general liability insurance, it became necessary to change to an automobile liability policy.

The policy which provides coverage for ninety-two Fire Department vehicles and mobile equipment was placed with the General Accident Assurance Company of Canada at a premium of $61,000.00. The cost is offset by a corresponding saving in the first layer of the general liability coverage.

Additional coverage is provided in the second and subsequent layers of excess liability insurance. (See Item 5 (b) - Appendix "A")

Report of the Committee on Finance and Administration, dated April 23rd, 1991.

Unlicensed Vehicles Item 2 (d)

Liability coverage is provided for approximately 1,424 unlicensed vehicles and mobile equipment. Coverage was placed with The General Accident Assurance Company of Canada at a 15.1% reduction in premium from 1990.

Non-Owned Vehicles Item 2 (e)

Non-owned automobile liability insurance policy was placed with The General Accident Assurance Company of Canada at a 5.1% reduction in premium from 1990.

Garage Liability Item 2 (f)

Exposure to liability for damage to "parking customers" vehicles in the Civic Centre Car Park is insured under a garage liability insurance policy underwritten by The Manitoba Public Insurance Corporation on the same basis and cost as in 1990.

Item 3 AVIATION LIABILITY

Aviation Premises Item 3 (a)

Liability coverage for the use of City owned land as an airport by the lessee, Springfield Flying Club, is excluded from the City's liability insurance policies. As such, an aviation policy is maintained. Coverage was renewed at the same cost as the previous year.

Non-Owned Aircraft Item 3 (b)

The City hires aircraft and pilot for aerial surveys and chemical spraying as part of the mosquito abatement program. Aircraft liability is a specialized coverage excluded from primary and excess liability layers and a policy covering the City's exposure to non-owned aircraft liability is carried. Coverage was renewed at a 1.0% premium reduction.

Item 4 PRIMARY LIABILITY

General and Malpractice Liability Item 4 (a) (i), (ii) and (iii)

- Public Health Department, Municipal Hospital and Ambulance Service

Primary General and Malpractice liability coverage to $250,000.00 was placed with the General Accident Assurance Company of Canada at a 27.4% premium increase. Additional limit of $10,000,000.00 malpractice is provided in the first and second layers of excess liability insurance. (See Item 5 (a) and (b) - Appendix "A")

General Liability Item 4 (b) (i) to (iv)

These primary insurance policies, subject to minimal deductibles provide coverage for the $250,000.00 self-retained limit under the 1st excess liability policy. (See Item 5 (a) - Appendix "A")

The type of activities covered are described in the Appendix detail and pertain to specific situations and operations where permission has been granted by the City for use of facilities and which could result in claims against the City.

While other markets were canvassed, coverage was placed with the General Accident Assurance Company of Canada who is the underwriter of the first layer of excess liability insurance. The main advantage of utilizing the same insurer is to avoid confusion where these exposures overlap with the excess coverage.

NOTE: Additional general liability coverage for operations listed in Item 4 above is included in excess liability layers 1 through 6. (See Item 5 (a) to (f) - Appendix "A")

Report of the Committee on Finance and Administration, dated April 23rd, 1991.

Item 5 EXCESS LIABILITY

Excess Liability Insurance Item 5 (a) to (f) Prior to the departure of the general insurance division of the Manitoba Public Insurance Corporation at the end of 1990, the first layer of the excess liability and virtually all of the primary liability coverages were provided by M.P.I.C.

The City's General Insurance Consortium approached thirty-two underwriters of which five companies submitted proposals.

Coverage for the first layer to a limit of $5,250,000.00 was placed with the General Accident Assurance Company of Canada. Additional layers to a total limit of $100,250,000.00 were placed with various excess underwriters. Cost for the entire excess liability insurance program increased by a modest 1.5% over 1990 after taking into account the transfer of the Fire Department fleet to an automobile liability policy.

APPENDIX "B" - Incidental Coverages

Items 1, 2 and 3

Continued till Cancelled policies

While the policies are written to renew automatically, the Consortium does test alternate markets to ensure the competitiveness of premium costs. The policies remain with the existing underwriters for 1991.

APPENDIX "C" - Incidental Coverages

Items 1, 2, 3, 4 and 5

As Required Policies

Exposures which can not be covered under the City's major insurance program are insured separately. Policies were renewed for 1991 at virtually the same cost as 1990.

It is the view of the City's General Insurance Consortium that the total insurance program for 1991 compares quite favourably with insurance programs carried by other cities and municipalities across Canada.

An excellent day-to-day rapport exists between the City's officers and members of the General Insurance Consortium. The Consortium continues to work closely with City personnel advising of changing exposures and risks in the light of trends in the industry and economic conditions. All coverages and self-retained limits are constantly examined in conjunction with the City's Insurance Reserve Fund which approximated $3.5 million as at December 31st, 1990.

Your Committee on Finance and Administration recommends:-

(1) That formal approval be given to the City's General Insurance Consortium to place insurance coverages as detailed in the attached Appendices "A", "B" and "C";

(2) That the Proper Officers of the City be authorized to sign whatever insurance documents as are necessary;

(3) That the written insurance policies be approved as to form by the City's General Insurance Consortium and the City Solicitor and as to financial detail by the City Treasurer;

(4) That the actions of the City's officers of providing the coverages from expiry dates to present date, be approved, ratified and confirmed.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 794 for attachment.)

Report of the Committee on Finance and Administration, dated April 23rd, 1991.

Extension of Time to Build - south of Stella Avenue, West of McGregor Street - Ukrainian Catholic Parish of Saint Vladimir and Olga - Lord Selkirk-West Kildonan Community.
File FI-2.4.2(24)

792 - 3. Your Committee on Finance and Administration has considered the attached Item 1 of Report No. 1 of the Technical Advisory Committee on City Properties, dated April 9th, 1991 (Files 4309/107/157 and /158) relative to a request of the Ukrainian Catholic Parish of Saint Vladimir and Olga for an extension of time to construct on property located south of Stella Avenue, west of McGregor Street as outlined on Sketch Plan No. 96B/84, in the Lord Selkirk-West Kildonan Community.

Your Committee on Finance and Administration recommends:

(1) That an extension of time from April 16th, 1991 to October 31st, 1992 be approved for the Church to complete construction of the proposed building on the subject lands.

(2) That the Proper Officers of the City be authorized to do all things necessary to implement the above recommendation, including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 795 for attachment.)

Assignment of Leave and License Agreement - Encroachment of restaurant addition into Albert Street.
File ED(22)

793 - 4. Your Committee on Finance and Administration has considered the attached Item 1 of Report No. 1 of the Technical Advisory Committee on City Properties, dated October 23rd, 1990, relative to a Leave and License
Agreement to be entered into between the City and 2566177 Manitoba Ltd.

Your Committee on Finance and Administration has been advised that the Royal Albert Arms Hotel has been sold to 2566177 Manitoba Ltd. and one of the conditions of sale is an assignment of the Leave and License Agreement. Inasmuch as Clause 4.08 of the Agreement does not permit any assignment or subletting without the consent of the City, the licensee has requested the City's consent to such an assignment.

On November 6th, 1990, your Committee referred this matter to the Historical Buildings Committee who on November 16th, 1990, advised that it originally approved the design of the encroaching restaurant addition through issuance of Certificate of Appropriateness No. 0148 dated August, 1985. As no unauthorized changes have since been made to the initial design, the Committee has therefore concurred in the recommendation of Item 1 of Report No. 1 of the Technical Advisory Committee on City Properties dated October 23rd, 1990 to approve the assignment of the current lease to 2566177 Manitoba Ltd.

On January 8th, 1991 your Committee again considered the matter and referred it to the Exchange District Association for comment back.

Report of the Committee on Finance and Administration, dated April 23, 1991.

In a communication dated January 17th, 1991 the Exchange District Association advised that it has no objection to the said assignment.

Your Committee on Finance and Administration therefore recommends that Council approve an assignment of the leave and license agreement from V. Koren and Sons Ltd. to 2566177 Manitoba Ltd., subject to payment to the City of its standard administrative fee of $250.00.

Your Committee also recommends that the Proper Officers of the City be authorized to implement the intent of the foregoing recommendation, including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 796 for attachment.)

794 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

795 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

796 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

CONSIDERATION OF REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it Report "A" of the Committee on Finance and Administration, dated April 23rd, 1991, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, Report "A" of the Committee on Finance and Administration, dated April 23rd, 1991, was considered.

West Committee Room,
Council Building, Winnipeg.
April 23rd, 1991.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report "A" and recommends:

Guarantee of Loan for Construction of a Concrete Slab for the Arena Ice Surface and Purchase of an Ice Resurfacer - Southdale Recreation Association Inc.

File PR-2

797 - 1. On April 23rd, 1991, your Committee on Finance and Administration considered a request from the Southdale Recreation Association Inc. to guarantee a long-term loan in the amount of $145,000.00 for the construction of a concrete slab for the arena ice surface and the purchase of a new ice resurfacer.

The City has guaranteed loans provided to Community Clubs for the purpose of improving or expanding facilities in the past. On December 4th, 1985, May 25th, 1988 and on June 26th, 1990 Council approved loan guarantees for Kirkfield-Westwood Community Centre Inc., Varsity View Community Centre Inc. and Maples Recreation Association Inc., respectively. At the time of the Maples request the mortgagors were contacted regarding the status of the mortgages, with the managers indicating that the Community Centres were current with their payments and in good standing with the respective lending institutions.

The information package submitted by Southdale Recreation Association Inc., along with additional financial information provided by the applicant and the Bank of Montreal, has been reviewed. The correspondence and financial information indicate that the association should be able to meet the obligations of Principal and Interest in connection with the proposed loan. The financial information has been restated in Schedule 1 to reflect a more accurate summary of the Association's revenues and disbursements.

The bank has agreed in principle to a loan that will be an open mortgage amortized over a ten year period with an interest rate at the institution's prime rate of interest or the Association has the option of fixing the interest rates for a period up to 10 years. In either situation the required monthly payments of principal and interest will be approximately $2,000.00.

The total cost of this phase of the arena project is estimated to be $230,000.00. The Civic Buildings Department has confirmed the cost of the slab to be approximately $187,000.00. The Parks and Recreation Department has confirmed the cost of the ice resurfacer to be approximately $43,000.00. The Association's bank confirmed that the Association has the assets with which to fulfil its stated portion of the project costs.

Your Committee on Finance and Administration recommends:-

(1) That favourable consideration be given to the request from the Southdale Recreation Association Inc. for a City of Winnipeg guarantee of interim and long term financing in an amount not exceeding $145,000.00 with respect to the construction of a concrete slab for the arena ice surface and the purchase of a new ice resurfacer.

Report "A" of the Committee on Finance and Administration, dated April 23rd, 1991.

(2) That the Proper Officers of the City be instructed to take all steps necessary to give effect to Council's decision, including obtaining approval from the Minister of Finance in accordance with Section 313 of The City of Winnipeg Act.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 798 for attachment.)

798 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

Moved by Councillor Selinger,
Seconded by Councillor Golden,

799 - WHEREAS The Board of Commissioners on July 12th, 1990, authorized the Director of Land Surveys and Real Estate to negotiate for the acquisition of 453 Inglewood Street and to report back on the results of the initial negotiations for acquisition of the referenced properties, shown on attached Misc. Plan No. SJA 7980/1, together with a source of funding;

AND WHEREAS the Land Surveys and Real Estate Department undertook negotiations with the owners of the subject property and reported to the Technical Advisory Committee on City Properties (T.A.C.C.P.);

AND WHEREAS the T.A.C.C.P. at its meeting on February 26th, 1991 referred the report to The Board of Commissioners through the Committee on Protection, Parks and Culture with the recommendation "that subject to the approval of the Committee on Protection, Parks and Culture, the acquisition of 453 Inglewood Street at a price of $45,000.00 and in accordance with the proposed terms and conditions herein outlined, be authorized";

AND WHEREAS On April 4th, 1991 The Board of Commissioners considered the report from the Committee on Protection, Parks and Culture dated March 4th, and concurred in the recommendation to acquire the subject property;

Particulars of the subject property are as follows:-

Location:	East side Inglewood Street, North of Silver Avenue
Legal Description:	Lot 3, Block 12, Plan 1296
Zoning:	'PR' Parks and Recreational District
Registered Owners:	Patrick George Kingston and Virginia Ann Cornwell
Certificate of Title:	E 64136
Site Size:	7.62 x 30.756 = 234.36 m2 (25' x 100.91' = 2,522.7 sq. ft.)
Realty Roll No.:	St. James - 415500
Assessment (90):	Land - 5,550; Building - 21,900
Property Description:	Older, 2 storey, single family detached home on part basement, with older single detached garage.

AND WHEREAS the owners of 453 Inglewood Street have agreed to sell their property to the City at a price of $45,000.00 and in accordance with the terms and conditions as stipulated on Schedule "A". The proposed terms and conditions, negotiated with the owners of the subject property, are considered by the Land Surveys and Real Estate Department to be reasonable;

AND WHEREAS the Parks and Recreation Department has advised in its report dated June 25th, 1990 that the subject property is contiguous to the existing Legion Memorial Sports Park and is required as additional open space to permit development of a 291 m ball diamond in the eastern portion of the park to accommodate user groups in the St. James Assiniboia Community. Funds for the acquisition of the subject property have been committed against the "Land Acquisition for General Unspecified Purposes" account;

AND WHEREAS the Committee on Finance and Administration on April 23rd, 1991 recommended that the property be purchased at a price of $45,000.00, all in accordance with the terms and conditions contained in
Schedule "A";

THEREFORE BE IT RESOLVED that Council approve the purchase of 453 Inglewood Street at a price of $45,000.00, all in accordance with the terms and conditions contained in Schedule "A".

Carried.

(Note: See Minute No. 800 for attachments.)

800 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

801 - On motion of Councillor Selinger By-law No. 5672/91, being an initial borrowing by-law of The City of Winnipeg to authorize the borrowing of money by the issue and sale of debentures of the City in the principal amount of Fifty Million, Fifty-three Thousand, Eight Hundred and Sixty-three Dollars and Seventy-five Cents ($50,053,863.75), for the purpose of repaying in full the principal of the debentures issued and sold pursuant to By-law No. 4510/87, was read a first time. File No. FC-2.

Councillor Selinger moved that this constitute the first reading of By-law No. 5672/91, which motion was carried.